



UNITED STATES DEPARTMENT OF COMMERCE  
National Oceanic and Atmospheric Administration  
NATIONAL MARINE FISHERIES SERVICE  
Silver Spring, Maryland 20910

JUN 18 1997

MEMORANDUM FOR: Distribution\*

FROM: *George H. Darcy*  
George H. Darcy  
Chief, Domestic Fisheries Division

SUBJECT: Amendment 39 to the Fishery Management Plan (FMP) for the Groundfish Fishery of the Bering Sea and Aleutian Islands Area, Amendment 41 to the Fishery Management Plan for Groundfish of the Gulf of Alaska, and Amendment 5 to the Fishery Management Plan for the Commercial King and Tanner Crab Fisheries in the Bering Sea/Aleutian Islands

Attached are the subject amendments and associated documents prepared by the North Pacific Fishery Management Council for formal review under the Magnuson-Stevens Fishery Conservation and Management Act.

These amendments would establish a license limitation program (LLP) and a community development quota (CDQ) program which were designed to achieve optimum yield. The proposed LLP is a step toward a fully developed comprehensive rationalization plan. It would prevent further deterioration of economic benefits in the FMP fisheries because the potential fleet size under LLP is less than under the current moratorium. The overall goal of the CDQ programs (existing and proposed) is to provide the means for starting or supporting commercial seafood activities in western Alaska that will result in ongoing, regionally-based commercial seafood or related businesses.

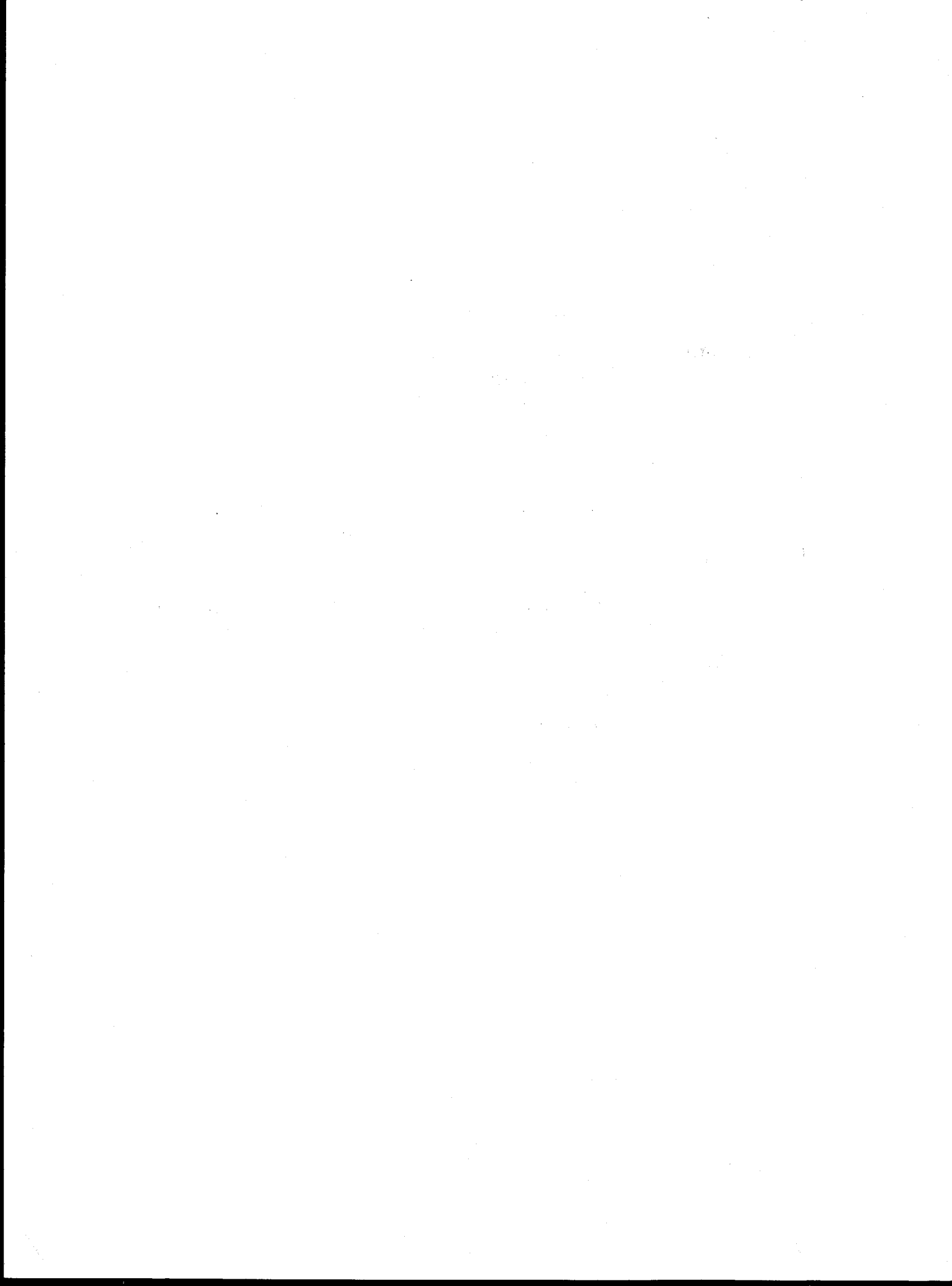
Please provide your comments (including "no comment") by July 11, 1997. If you have any questions, please call William Bellows at 301-713-2344.

Attachments

\*Distribution

F/SF	- Matlock/Morehead	F/ST	- Fox/Swartz
F/SF5	- <del>Fricks</del>	F/HC1	- Burgess
F/SF3	- Darcy	F/ST1	- Holliday
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GCEL	- Kuroc	OGC	- Cohen
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F/PR3	- Chu/Foster		





## **Proposed Plan Amendment Language for Licensing Vessels To Fish in the Groundfish Fisheries in the Bering Sea/Aleutian Islands**

*To be added at end of Chapter 2.0.*

Amendment 39, effective (*insert the effective date of the license program*):

Created a license program for vessels targeting groundfish in the BSAI, other than fixed gear sablefish after (*insert the effective date of the LLP*). The license program will replace the vessel moratorium and will last until the Council replaces or rescinds the action.

*A new Section 14.4.7.2 titled "Vessel License Limitation for the Bering Sea / Aleutian Islands" would replace the moratorium language and would read as follows:*

### **14.4.7.2      Groundfish License Limitation Program**

Beginning on (*insert the effective date of the LLP*) a Federal groundfish license will be required for harvesting vessels (including harvester/processors) participating in all BSAI groundfish fisheries, other than fixed gear sablefish. However, the following vessel categories are exempt from the license program requirements:

1.      Vessels fishing in State of Alaska waters (0-3 miles offshore);
2.      Vessels less than 32' LOA;
3.      Jig gear vessels less than 60' LOA using a maximum of 5 jig machines, one line per machine, and a maximum of 15 hooks per line.

Any vessel that meets the license programs qualification requirements will be issued a license, regardless of whether they are exempt from the program or not. The vessel license program will last until the Council replaces or rescinds the action.

#### **14.4.7.2.1      Elements of the License Limitation Program**

1.      Nature of Licenses. General licenses will be issued for the entire Bering Sea / Aleutian Island area based on historical landings defined in Federal regulations. Vessels that qualify for both a Bering Sea / Aleutian Island and a Gulf of Alaska general license will be issued both as a non-severable package. Area endorsements will be issued along with the general license for the Bering Sea and/or Aleutian Islands. General licenses and endorsements will remain a non-severable package.
2.      License Recipients. Licenses will be issued to owners (as of June 17, 1995) of qualified vessels. The owners as of this date must be "persons eligible to document a fishing vessel" under Chapter 121, Title 46, U.S.C. In cases where the vessel was sold on or before June 17, 1995, and the disposition of the vessel's fishing history for license qualification was not mentioned in the contract, the license qualification history would go with the vessel. If the transfer occurred after June 17, 1995, the license qualification history would stay with the seller of the vessel unless the contract specified otherwise.
3.      License Designations. Licenses and endorsements will be designated as Catcher Vessel or Catcher Processor and with one of three vessel length classes (< 60', ≥ 60' but < 125', or ≥ 125' LOA).
4.      Who May Purchase Licenses. Licenses may be transferred only to "persons" defined as those "eligible to document a fishing vessel" under Chapter 121, Title 46, U.S.C. Licenses may not be

leased.

5. Vessel/License Linkages. Licenses may be transferred without a vessel, i.e., licenses may be applied to vessels other than the one to which the license was initially issued. However, the new vessel is still subject to the license designations, vessel upgrade provisions, "20% upgrade rule" (defined in provision seven), and the no leasing provision. Licenses may be applied to vessels shorter than the "maximum LOA" allowed by the license regardless of the vessel's length designation. Vessels may also use catcher processor licenses on catcher vessels. However, the reverse is not allowed.
6. Separability of General Licenses and Endorsements. General licenses may be issued for the Bering Sea /Aleutian Islands groundfish, Gulf of Alaska groundfish, and Bering Sea /Aleutian Islands crab fisheries. Those general licenses initially issued to a person based on a particular vessel's catch history are not separable and shall remain as a single "package". General licenses transferred after initial allocation shall remain separate "packages" in the form they were initially issued, and will not be combined with other general groundfish or crab licenses the person may own. Area endorsements are not separable from the general license they are initially issued under, and shall remain as a single "package," which includes the assigned catcher vessel/catcher processor and length designations.
7. Vessel Replacements and Upgrades. Vessels may be replaced or upgraded within the bounds of the vessel length designations and the "20% rule". This rule was originally defined for the vessel moratorium program. The maximum length over all (MLOA) with respect to a vessel means the greatest LOA of that vessel or its replacement that may qualify it to conduct directed fishing for groundfish covered under the license program, except as provided at § 676.4(d). The MLOA of a vessel with license qualification will be determined by the Regional Director as follows:
  - (a) For a vessel with license qualification that is less than 125' LOA, the maximum LOA will be equal to 1.2 times the vessel's original qualifying length or 125', whichever is less; and
  - (b) For a vessel with license qualification that is equal to or greater than 125', the maximum LOA will be equal to the vessel's original qualifying length.

If a vessel upgrades under the "20% rule" to a length which falls into a larger license length designation after June 17, 1995, then the vessel owner would be initially allocated a license and endorsement(s) based on the vessel's June 17, 1995 length. Those licenses and endorsements could not be used on the qualifying vessel, and the owner would be required to obtain a license for that vessel's designation before it could be fished.
8. License Ownership Caps. No more than 10 general groundfish licenses may be purchased or controlled by a "person," with grandfather rights to those persons who exceed this limit in the initial allocation. Persons with grandfather rights from the initial allocation must be under the 10 general license cap before they will be allowed to purchase any additional licenses. A "person" is defined as those eligible to document a fishing vessel under Chapter 121, Title 46, U.S.C. For corporations, the cap would apply to the corporation and not to share holders within the corporation.
9. Vessel License Use Caps. There is no limit on the number of licenses (or endorsements) which may be used on a vessel.
10. Changing Vessel Designations. If a vessel qualifies as a catcher processor, it may select a one time (permanent) conversion to a catcher vessel designation.
11. Implement a Skipper Reporting System. NMFS will implement a skipper reporting system which requires groundfish license holders to report skipper names, addresses, and service records.

12. Vessels Targeting Non-groundfish Species. Vessels targeting non-groundfish species that are allowed to land incidentally taken groundfish species without a Federal permit before implementation of the groundfish license program, will be allowed to continue to land bycatch amounts of groundfish without having a valid groundfish license. Additionally, vessels targeting sablefish and halibut under the IFQ program will continue to be allowed to retain bycatch amounts of groundfish species.
13. CDQ Vessel Exemption. Vessels < 125' obtained under an approved CDQ plan to participate in both CDQ and non-CDQ fisheries, will be allowed to continue to fish both fisheries without a license. If the vessel is sold outside the CDQ plan, the vessel will no longer be exempt from the rules of the license program.
14. Lost Vessels. Vessels which qualified for the moratorium and were lost, damaged, or otherwise out of the fishery due to factors beyond the control of the owner and which were replaced or otherwise reentered the fishery in accordance with the moratorium rules, and which made a landing any time between the time the vessel left the fishery and June 17, 1995, will be qualified for a general license and endorsement for that area.
15. Licenses Represent a use Privilege. The Council may alter or rescind this program without compensation to license holders; further, licenses may be suspended or revoked for (serious and/or multiple) violations of fisheries regulations.

#### 14.4.1.2.2.1 CDQ Allocation.

CDQs will be issued for 7.5% of the TAC for all BSAI groundfish species not already covered by another CDQ program (pollock and longline sablefish). A pro-rata share of PSC species will also be issued. PSC will be allocated before the trawl/non-trawl splits. The program will be patterned after the pollock CDQ program (defined in section 14.4.11.6), but will not contain a sunset provision. Also, Akutan will be included in the list of eligible CDQ communities.

## **Proposed Plan Amendment Language for Licensing Vessels To Fish in the Groundfish Fisheries in the Gulf of Alaska**

*A new Section 4.4.1.2 titled "Vessel License Limitation for the Gulf of Alaska" would be added and would read as follows:*

Amendment 41, effective (*insert the effective date of the license program*):

### **4.4.1.2      Groundfish License Limitation Program**

Beginning on (*insert the effective date of the LLP*) a license will be required for harvesting vessels (including harvester/processors) participating in all directed GOA groundfish fisheries, other than fixed gear sablefish throughout the Gulf of Alaska and Demersal Shelf Rockfish in the Southeast Outside area (East of 140°). Vessels fishing in State waters will be exempt, as will vessels less than 26' LOA. Vessels exempted from the Gulf of Alaska groundfish license program, will be limited to the use of legal fixed gear in the Southeast Outside area. The vessel license limitation program will replace the vessel moratorium and will last until the Council replaces or rescinds the action.

#### **4.4.1.2.1      Elements of the License Limitation Program**

1.      Nature of Licenses. General licenses will be issued for the entire Gulf of Alaska area based on historical landings. Vessels that qualify for both Bering Sea / Aleutian Island and Gulf of Alaska general licenses will be issued both as a non-severable package. Area endorsements will be issued along with the general license for the Southeast Outside, Central Gulf including West Yakutat, and/or Western Gulf areas. General licenses and endorsements will remain a non-severable package.
2.      License Recipients. Licenses will be issued to owners (as of June 17, 1995) of qualified vessels. The owners as of this date must be "persons eligible to document a fishing vessel" under Chapter 121, Title 46, U.S.C. In cases where the vessel was sold on or before June 17, 1995, and the disposition of the vessel's fishing history for license qualification was not mentioned in the contract, the license qualification history would go with the vessel. If the transfer occurred after June 17, 1995, the license qualification history would stay with the seller of the vessel unless the contract specified otherwise.
3.      License Designations. Licenses and endorsements will be designated as Catcher Vessel or Catcher Processor and with one of three vessel length classes (<60', ≥60' but < 125', or ≥ 125' LOA). Southeast Outside endorsements will be designated for use by legal fixed gear only.
4.      Who May Purchase Licenses. Licenses may be transferred only to "persons" defined as those "eligible to document a fishing vessel" under Chapter 121, Title 46, U.S.C. Licenses may not be leased.
5.      Vessel/License Linkages. Licenses may be transferred without a vessel, i.e., licenses may be applied to vessels other than the one to which the license was initially issued. However, the new vessel is still subject to the license designations, vessel upgrade provisions, "20% rule" (defined in provision seven), and the no leasing provision. Licenses may be applied to vessels shorter than the "maximum LOA" allowed by the license regardless of the vessel's length designation. Vessels may also use catcher processor licenses on catcher vessels. However, the reverse is not allowed.
6.      Separability of General Licenses and Endorsements. General licenses may be issued for the Bering Sea /Aleutian Islands groundfish, Gulf of Alaska groundfish, and Bering Sea /Aleutian Islands crab fisheries. Those general licenses initially issued to a person based on a particular vessel's catch history are not separable and shall remain as a single "package". General licenses transferred after

initial allocation shall remain separate "packages" in the form they were initially issued, and will not be combined with other general groundfish or crab licenses the person may own. Area endorsements are not separable from the general license they are initially issued under, and shall remain as a single "package," which includes the assigned catcher vessel/catcher processor and length designations.

7. Vessel Replacements and Upgrades. Vessels may be replaced or upgraded within the bounds of the vessel length designations and the "20% rule". This rule was originally defined for the vessel moratorium program. The maximum length over all (MLOA) with respect to a vessel means the greatest LOA of that vessel or its replacement that may qualify it to conduct directed fishing for groundfish covered under the license program, except as provided at § 676.4(d). The MLOA of a vessel with license qualification will be determined by the Regional Director as follows:
  - (a) For a vessel with license qualification that is less than 125' LOA, the maximum LOA will be equal to 1.2 times the vessel's original qualifying length or 125', whichever is less; and
  - (b) For a vessel with license qualification that is equal to or greater than 125', the maximum LOA will be equal to the vessel's original qualifying length.

If a vessel upgrades under the "20% rule" to a length which falls into a larger license length designation after June 17, 1995, then the vessel owner would be initially allocated a license and endorsement(s) based on the vessel's June 17, 1995 length. Those licenses and endorsements could not be used on the qualifying vessel, and the owner would be required to obtain a license for that vessel's designation before it could be fished.

8. License Ownership Caps. No more than 10 general groundfish licenses may be purchased or controlled by a "person," with grandfather rights to those persons who exceed this limit in the initial allocation. Persons with grandfather rights from the initial allocation must be under the 10 general license cap before they will be allowed to purchase any additional licenses. A "person" is defined as those eligible to document a fishing vessel under Chapter 121, Title 46, U.S.C. For corporations, the cap would apply to the corporation and not to share holders within the corporation.
9. Vessel License Use Caps. There is no limit on the number of licenses (or endorsements) which may be used on a vessel.
10. Changing Vessel Designations. If a vessel qualifies as a catcher processor, it may select a one time (permanent) conversion to a catcher vessel designation.
11. Implement a Skipper Reporting System. NMFS will implement a skipper reporting system which requires groundfish license holders to report skipper names, addresses, and service records.
12. Vessels Targeting Non-groundfish Species. Vessels targeting non-groundfish species that are allowed to land incidentally taken groundfish species without a Federal permit before implementation of the groundfish license program, will be allowed to continue to land bycatch amounts of groundfish without having a valid groundfish license. Additionally, vessels targeting sablefish and halibut under the IFQ program will continue to be allowed to retain bycatch amounts of groundfish species.
13. CDQ Vessel Exemption. Vessels < 125' obtained under an approved CDQ plan to participate in both CDQ and non-CDQ fisheries, will be allowed to continue to fish in the GOA groundfish fisheries without a license. If the vessel is sold outside the CDQ plan, the vessel will no longer be exempt from the rules of the license program.
14. Lost Vessels. Vessels which qualified for the moratorium and were lost, damaged, or otherwise out of the fishery due to factors beyond the control of the owner and which were replaced or otherwise

reentered the fishery in accordance with the moratorium rules, and which made a landing any time between the time the vessel left the fishery and June 17, 1995, will be qualified for a general license and endorsement for that area.

15. Licenses Represent a use Privilege. The Council may alter or rescind this program without compensation to license holders; further, licenses may be suspended or revoked for (serious and/or multiple) violations of fisheries regulations.



**Proposed Plan Amendment Language for Vessel License Limitation in The Commercial King and Tanner Crab Fisheries in the Bering Sea/Aleutian Islands**

Amendment 5, effective (*insert the effective date of the license program*):

*The first sentence in Section 8.1.2 would read:*

Currently no Federal fishing permits are required for harvesting vessels, except as required by the License Limitation Program as described in Section 8.1.4. and regulated by 50 CFR (*insert part #*).

*The paragraph contained in Section 8.1.4 would be deleted.*

*A new section 8.1.4.1 titled "Vessel License Limitation" would be added. and would read as follows:*

8.1.4.1      Vessel License Limitation

Beginning on (*insert the effective date of the LLP*) a Federal Crab License is required on harvesting vessels (including harvester/processors) participating in the BSAI King and Tanner Crab fisheries. Vessels fishing in State waters will be exempt, as will vessels < 32'. The license limitation program will replace the vessel moratorium and will last until the Council replaces or rescinds the action.

8.1.4.1.1      Elements of the License Limitation Program

1.      Nature of Licenses. General crab licenses will be issued, based on historical landings defined in Federal regulations, for BSAI king and tanner crab fisheries covered under the FMP, with the following species/area endorsements:

- a.      Pribilof red and Pribilof blue king crab
- b.      *C. opilio* and *C. bairdi*
- c.      St. Matthew blue king crab
- d.      Adak brown king crab
- e.      Adak red king crab
- f.      Bristol Bay red king crab
- g.      Norton Sound red and Norton Sound blue summer king crab

Species/area combinations not listed above may be fished by any vessel that holds a valid Federal crab license regardless of the endorsements attached to the license, if those fisheries are open and the vessel meets all other State and Federal regulatory requirements.

2.      License Recipients. Licenses will be issued to current owners (as of June 17, 1995) of qualified vessels, except in the Norton Sound summer red and blue king crab fisheries. Licenses for these fisheries would be issued to:

- a.      Individuals who held a State of Alaska Permit for the Norton Sound summer king crab fisheries and made at least one landing; or
- b.      Vessel owners as of June 17, 1995 in instances where a vessel was corporate owned, but operated by a skipper who was a temporary contract employee.

The owners as of this date must be "persons eligible to document a fishing vessel" under Chapter 121, Title 46, U.S.C. In cases where the vessel was sold on or before June 17, 1995, and the disposition of the license qualification history was not mentioned in the contract, the license

qualification history would go with the vessel. If the transfer occurred after June 17, 1995, the license qualification history would stay with the seller of the vessel unless the contract specified otherwise.

3. License Designations. Licenses and endorsements will be designated as Catcher Vessel or Catcher Processor and with one of three vessel length classes ( $< 60'$ ,  $\geq 60'$  but  $< 125'$ , or  $\geq 125'$  LOA).
4. Who May Purchase Licenses. Licenses may be transferred only to "persons" defined as those "eligible to document a fishing vessel" under Chapter 121, Title 46, U.S.C. Licenses may not be leased.
5. Vessel/License Linkages. Licenses may be transferred without a vessel, i.e., licenses may be applied to vessels other than the one to which the license was initially issued. However, the new vessel is still subject to the license designations, vessel upgrade provisions, 20% upgrade rule (defined in provision seven), and the no leasing provision. Licenses may be applied to vessels shorter than the "maximum LOA" regardless of the length of the vessel class designations. Vessels may also use catcher processor licenses on catcher vessels. However, the reverse is not allowed. It was the Council's intent that vessels be allowed to "downgrade".
6. Separability of General Licenses and Endorsements. General licenses may be issued for the Bering Sea /Aleutian Islands groundfish, Gulf of Alaska groundfish, and Bering Sea /Aleutian Islands crab fisheries. Those general licenses initially issued to a person based on a particular vessel's catch history are not separable and shall remain as a single "package". General licenses transferred after initial allocation shall remain separate "packages" in the form they were initially issued, and will not be combined with other general groundfish or crab licenses the person may own. Species/area endorsements are not separable from the general license they are initially issued under, and shall remain as a single "package," which includes the assigned catcher vessel/catcher processor and length designations.
7. Vessel Replacements and Upgrades. Vessels may be replaced or upgraded within the bounds of the vessel length designations and the "20% rule". This rule was originally defined for the vessel moratorium program. The maximum length over all (MLOA) with respect to a vessel means the greatest LOA of that vessel or its replacement that may qualify it to conduct directed fishing for groundfish covered under the license program, except as provided at § 676.4(d). The MLOA of a vessel with license qualification will be determined by the Regional Director as follows:
  - (a) For a vessel with license qualification that is less than 125' LOA, the maximum LOA will be equal to 1.2 times the vessel's original qualifying length or 125', which ever is less; and
  - (b) For a vessel with license qualification that is equal to or greater than 125', the maximum LOA will be equal to the vessel's original qualifying length.

If a vessel upgrades under the "20% rule" to a length which falls into a larger license length designation after June 17, 1995, then the vessel owner would be initially allocated a license and endorsement(s) based on the vessel's June 17, 1995 length. Those licenses and endorsements could not be used on the qualifying vessel, and the owner would be required to obtain a license for that vessel's designation before it could be fished. Vessels in the Norton Sound summer king crab fisheries may upgrade more than 20% (as defined in the 20% rule) so long as the vessel does not exceed 32' LOA after the upgrade is complete.

8. License Ownership Caps. No more than five general crab licenses may be purchased or controlled by a "person," with grandfather rights to those persons who exceed this limit in the initial allocation.

Persons with grandfather rights from the initial allocation must be under the five general license cap before they will be allowed to purchase any additional licenses. A "person" is defined as those eligible to document a fishing vessel under Chapter 121, Title 46, U.S.C. For corporations, the cap would apply to the corporation and not to share holders within the corporation.

9. Vessel License Use Caps. There is no limit on the number of licenses (or endorsements) which may be used on a vessel.
10. Changing Vessel Designations. If a vessel qualifies as a catcher processor, it may select a one time (permanent) conversion to a catcher vessel designation.
11. Implement a Skipper Reporting System. NMFS will implement a skipper reporting system which requires crab license holders to report skipper names, addresses, and service records.
12. CDQ Vessel Exemption. Vessels < 125' obtained under an approved CDQ plan to participate in both CDQ and non-CDQ target fisheries, will be allowed to continue to fish both fisheries without a license. If the vessel is sold outside the CDQ plan, the vessel will no longer be exempt from the rules of the crab license program.
13. Lost Vessels. Vessels which qualified for the moratorium and were lost, damaged, or otherwise out of the fishery due to factors beyond the control of the owner and which were replaced or otherwise reentered the fishery in accordance with the moratorium rules, and which made a landing any time between the time the vessel left the fishery and June 17, 1995, will be qualified for a general license and endorsement for that species/area combination.
14. Licenses Represent a use Privilege. The Council may alter or rescind this program without compensation to license holders; further, licenses may be suspended or revoked for (serious and/or multiple) violations of fisheries regulations.

#### 14.4.1.2.2.1 CDQ Allocation.

CDQs will be issued for 7.5% of all BSAI crab fisheries that have a Guideline Harvest Level set by the State of Alaska. The program will be patterned after the pollock CDQ program (defined in section 14.4.11.6 of the BSAI groundfish FMP), but will not contain a sunset provision. Also, Akutan will be included in the list of eligible CDQ communities.

